



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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First District

Yvonne Garthwaite Burke
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November 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 4 TO DIETARY SERVICES AGREEMENT
WITH SODEXHO OPERATIONS LLC**
(4th District) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman of the Board to sign the attached Amendment No. 4 (Exhibit I) to Agreement No. 68444 with Sodexho Operations, LLC, for the provision of dietary services at Rancho Los Amigos National Rehabilitation Center, effective January 1, 2005 through June 30, 2005 for a total maximum obligation of \$1,908,072.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

In approving this action, the Board is authorizing the Chairman of the Board to sign Amendment No. 4 to Agreement No. 68444 with Sodexho Operations, LLC (Sodexho) to continue the provision of dietary services at Rancho Los Amigos National Rehabilitation Center (Rancho) on a month-to-month basis for a period of six months, effective January 1, 2005 through June 30, 2005.

The Department of Health Services (DHS or Department) has been contracting out Dietary Services under provisions of County Code 2.121.250 *et seq.*, "Contracting with Private Businesses" (Proposition A), since October 1984. Dietary services are an integral part of the legitimate activities which must be provided by a hospital to perform its health care functions.

The requested term extension will allow the Department time to complete a Request for Proposals (RFP) solicitation process currently being prepared for dietary services at Rancho and Olive View/UCLA, Martin Luther King, Jr./Drew, and Harbor/UCLA Medical Centers. The RFP is currently scheduled to be released by the end of November 2004.

FISCAL IMPACT/FINANCING:

The maximum obligation of Amendment No. 4, effective from January 1, 2005 through June 30, 2005, is \$1,908,072.

Funds are available in the Fiscal Year 2004-05 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On July 18, 1995, the Board approved Agreement No. 68444 with Sodexo to provide dietary services at Rancho, effective August 1, 1995 through July 31, 1996, with provisions for six one-year automatic renewals and a six-month automatic renewal, with an expiration date of January 31, 2003.

The Board approved a Delegation of Duties and Assignment of Rights of Agreement No. 68444 from Sodexo USA West Division to Sodexo Operations, LLC on November 18, 2003.

The Board has subsequently approved three Amendments to extend the Agreement through December 31, 2004. The most recent Amendment No. 3, approved by the Board on June 8, 2004, extended the term from July 1, 2004 through December 31, 2004, for a total maximum obligation of \$1,908,072.

Sodexo is currently providing approximately 528,000 patient meals annually.

Contract monitoring functions will be performed by administrative staff at Rancho and the DHS Contract Monitoring Division.

Attachment A provides additional information.

County Counsel has approved Amendment No. 4 (Exhibit I) as to form.

The contractor is in compliance with all Board-mandated provisions.

CONTRACTING PROCESS:

DHS is currently in the process of completing an RFP solicitation for dietary services at Rancho and Olive View-UCLA, Harbor-UCLA, and Martin Luther King, Jr./Drew Medical Centers, and anticipates that the RFP process will be completed prior to the expiration date of Amendment No. 4.

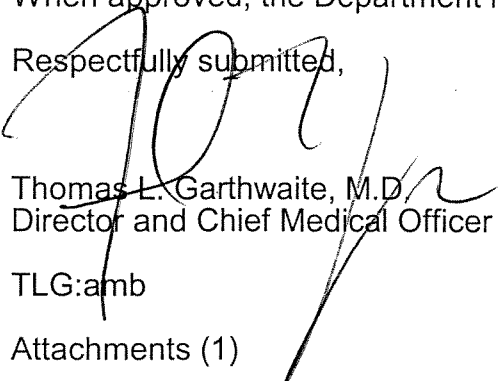
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval will allow for the continued provision of dietary services at Rancho during the solicitation of a new dietary services contract.

The Honorable Board of Supervisors
November 18, 2004
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When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:amb

Attachments (1)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

BLET:CD3636.amb
10/29/04

SUMMARY OF AGREEMENT

1. Type of Services:

Dietary Services at Rancho

2. Agency Name/Address/Contact Person:

Sodexo Operations LLC
3033 5th Avenue, Suite 335
San Diego, CA 92103
Attention: Calvin Johnson, Vice President
Telephone: (619) 296-6433

3. Term:

The term of Amendment No. 4 to Agreement No. 68444 will become effective January 1, 2005 through June 30, 2005.

4. Financial Information:

The maximum obligation of Amendment No. 4, effective January 1, 2005 through June 30, 2005 is \$1,908,072, net County cost.

Funds are available in the FY 2004-05 Adopted Budget.

5. Person Accountable for Program Monitoring:

Marie Ketcheshawno, Contract Liaison, Rancho
Telephone: (562) 401-7362

6. Approvals:

Rancho: Valerie Orange, Acting CEO

Contract Administration: Irene E. Riley, Director

County Counsel (approval as to form): Elizabeth Friedman, Senior Deputy County Counsel

EXHIBIT I

Contract No. 68444

AGREEMENT FOR DIETARY SERVICES
AT RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER

AMENDMENT NO. 4

THIS AMENDMENT is made and entered into to this _____ day
of _____, 2004,

by and between the

COUNTY OF LOS ANGELES
(hereafter "County"),

and

SODEXHO OPERATIONS, LLC
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
AGREEMENT FOR DIETARY SERVICES AT RANCHO LOS AMIGOS MEDICAL
CENTER", dated July 18, 1995, and further identified as County
Agreement No. 68444, extension letter dated February 21, 2002,
and any Amendments thereto, (all hereafter referred to as
Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend
Agreement to extend its term and to make the changes described
hereinafter; and

WHEREAS, said Agreement provides that changes may be made in
the form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective January 1, 2005.

2. The term of this Agreement is hereby extended on a month-to-month basis for a maximum of six (6) months, from January 1, 2005 through June 30, 2005, unless sooner terminated by County.

3. That Schedule 4 be replaced with Schedule 5, attached to this Amendment and incorporated in Agreement by reference.

4. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

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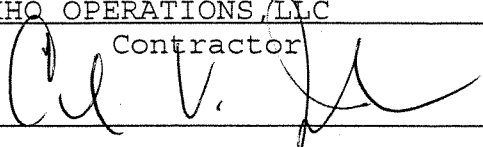
IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Chairman and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Chairman, Board of Supervisors

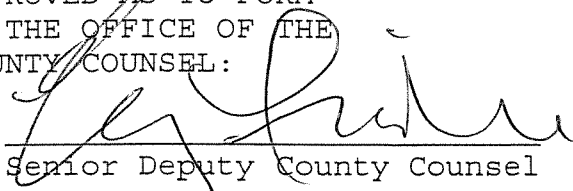
ATTEST:

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

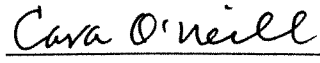
SODEXHO OPERATIONS, LLC
Contractor
By 
Title: EXECUTIVE VICE PRESIDENT

By _____
Deputy

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL:

By 
Senior Deputy County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

By 
Irene E. Riley, Director
Contract Administration

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AMENDCD3635.AMB

SCHEDULE 5

CONTRACTOR'S BUDGET AND COUNTY'S CHARGE SCHEDULE

Contractor's Six-Month Budget (January 1, 2005 through
June 30, 2005) to Deliver 38,001 - 44,000 Meals Per Calendar Month

Labor Costs	\$ 936,438
Raw Food Costs	\$ 575,514
Materials; Services and Supplies	\$ 104,376
Equipment Costs	\$ 44,478
Other Expenses	\$ 123,870
Equip Maintenance and Repair Costs	\$ 8,988
Subtotal	\$1,793,664

Sales Tax Liability	\$ 3,504
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A. Contractor's Six Month Budget (7/1/04 - 12/31/04):	\$1,797,168
B. Special Function Meals	\$ 47,232
C. Incidental Food and Supplies	\$ 8,772
D. Patient Tube Feeding Products	\$ 54,900
E. Contractor's Total Six-Month Budget	\$ 1,908,072